#### TOWN OF FREDERICA ORDINANCE NO. 22-02

# AN ORDINANCE AMENDING CHAPTER 314 – RENTAL PROPERTIES, TO ADD ARTICLE II, SHORT TERM RENTALS

BE IT ORDANIED BY THE MAYOR AND COUNCIL OF THE TOWN OF FREDERICA IN COUNCIL MET:

**Section 1.** That Section 314 of the Frederica Code shall be amended by establishing a new Article to read as follows:

## **ARTICLE II – SHORT TERM RENTALS**

# § 314-23 – Purpose, Definitions, Compliance

### A. Purpose:

The Town of Frederica wishes to permit the limited and temporary rental use of family dwellings (residences) as an economic asset, allowing for increased travel, visitation and tourism, and affording property owners of the opportunity to earn revenue from such occupancy, while ensuring that such uses do not become a nuisance, that neighborhood character is not compromised, and that such businesses are properly operated and maintained. The purpose of this Article shall be to minimize public safety risks and public nuisances, such as noise, trash, and parking problems; to ensure that traditional neighborhoods are not turned into tourist areas to the detriment of long-term residents; and to ensure that individual dwellings are not turned into pseudo hotels or party houses.

#### **B. Definitions:**

The following words, terms, and phrases, when used in this Article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Good neighbor brochure means a document provided by the owner to the guest(s) and containing: the name and telephone number for the owner; notification on standards of behavior and occupancy relating to parking,

noise, trash collection, waste disposal, street maintenance, snow removal, and public safety services, and including contact and web access information; and other such information as the Town may from time to time prescribe.

Guest or guests means the individual or individuals securing the short-term rental use for the purposes of staying overnight.

Owner means the person or persons holding legal or equitable title to the property being offered as a short-term rental.

Short term rental use (STRU) means rental of all or a part of a dwelling which is made available by agreement for a residential occupancy by a tenant in exchange for compensation for a duration of a temporary occupancy of less than 30 days.

### C. Compliance:

No person shall operate, offer for occupancy, or let to another for occupancy as a short-term rental use any dwelling which is not in compliance with this Article or any other applicable codes.

# § 314-24 – Registration and inspection requirements; inspection required for life safety and building purposes; short term rental use license required.

- A. The owner of any dwelling proposed for a short-term rental use must obtain an annual short term rental use license.
- B. An inspection by the Town code enforcement officer, or third-party inspection agency, shall be required to determine compliance with property maintenance and all other applicable codes.
- C. Any items in non-compliance shall be remedied before a license is granted. The rental license must be kept current during anytime the dwelling is offered as a short-term rental use.
- D. The license shall be valid for up to one year and must be renewed no later than January 31 of each year of continued operation.
- E. The short-term rental use license must be clearly displayed inside the dwelling along with any state licenses or permits.

F. The short-term rental use license may not be transferred to any party except heirs and assigns and shall be void upon transfer of ownership of the property where the short term rental use is located.

### § 314-25 – Owner Obligations

A. A good neighbor brochure must be provided in the dwelling listing Town provisions as required.

### § 314-26 – Limitations on Occupancy and Use

- A. The number of guests 12 years and older permitted at any time shall not exceed twice the number of bedrooms (i.e. three bedrooms x two = six occupants), with a maximum of 12 individual occupants of all ages at any one time regardless of the number of bedrooms available.
- B. No more than one extra vehicle per bedroom shall be allowed, not to exceed six extra in total; all parking shall comply with all requirements relating to street maintenance, fire access, parking on paved surfaces, trash collection, obstacles to travel, or other requirements. Violations shall be ticketed offenses.
- C. Access to a full bath must be provided.
- D. Guest(s) shall be prohibited from further subletting the dwelling.
- E. Weddings, graduation parties, corporate events, commercial functions, large gatherings, or other special events associated with the STRU shall be prohibited unless a Town special event permit was granted for a specific activity and date.
- F. The owner has the responsibility to not knowingly allow any illegal or criminal activity on the property nor permit the guests to create a public nuisance including, but not limited to, creating noise, permitting an unsafe condition, maintaining a disorderly premise, generation of trash, or other behavior which unreasonably disturbs the peace, safety, and general welfare of the neighborhood as provided in this chapter and other related chapters of the Code.

### § 314-27 – Enforcement, Fees and Penalties, Reporting

- A. Short term rental license. Payment of a short-term rental use license shall be \$200.00, annually, and is required beginning January 31 of each year; the fee will be prorated for a partial year.
- B. Failure to register and obtain a license. Failure to register and obtain a license shall result in a \$100.00 fine in addition to the license fee.
- C. Penalties for violations shall be \$100.00 per offense.
- D. A dwelling cited three times by the Code official as a nuisance or the location of illegal or criminal activity within any 12-month consecutive period shall have its short-term rental use license suspended for not less than the rest of the license year or a longer period up to permanently.
- E. The owner shall voluntarily report to the Town annually documenting the occupancy and frequency of rentals obtained, such report to be completed January 31 of the following year as part of the license renewal and for purposes of building a database of STRU activity and economic impact, not for enforcement or tax purposes.
- **Section 2.** Severability. The provisions of this Ordinance are severable, and if any of its provisions or any sentence, clause, or paragraph shall be held unconstitutional or violate the Laws of the State of Delaware by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.
- **Section 3.** Effective Date. The Clerk shall certify to the adoption of this Ordinance and cause the same to be published as required by law; and this Ordinance shall take effect and be in force thirty days from and after its approval by Council.
- **Section 4.** Repealer: All ordinances and parts of ordinances inconsistent with the provisions of this Ordinance are hereby repealed.

**ORDAINED AND ENACTED INTO THE LAW** by a majority vote of the Council Members present at a regular session of Frederica Town Council, Delaware on the <u>16</u> day of <u>March</u>, A.D. 2022.

First Reading: March 2, 2022

Public Hearing and Second Reading: March 16, 2022

Published: April 16, 2022

William C. Glanden

Mayor

I do hereby certify that the foregoing is a true and correct copy of the Ordinance passed by the Town Council at its meeting on March 16, 2022 at which meeting a quorum was present and voting throughout that the same is still in full force and effect.

Clerk

#### **SYNOPSIS:**

This Ordinance amends Chapter 314 of the Code to establish Article II relating to short term rental units.